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**ELAINE P. NUNEZ
COMMUNITY COLLEGE FOUNDATION**

June 30, 1997

Audit of Financial Statements

June 30, 1997

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 11/12/03

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To The Board of Trustees
Elaine P. Nunez Community College Foundation

Independent Auditor's Report

We have audited the accompanying statement of financial position of **ELAINE P. NUNEZ COMMUNITY COLLEGE FOUNDATION** (a nonprofit organization) as of June 30, 1997, and the related statements of activities, and cash flows for the year ended June 30, 1997. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the **ELAINE P. NUNEZ COMMUNITY COLLEGE FOUNDATION** as of June 30, 1997 and the changes in its net assets and its cash flows for the year ended June 30, 1997 in conformity with generally accepted accounting principles.

LaPorte, Sehart, Romig & Hand
A Professional Accounting Corporation

July 6, 1998

ELAINE P. NUNEZ
COMMUNITY COLLEGE FOUNDATION
STATEMENT OF FINANCIAL POSITION
June 30, 1997

ASSETS

Cash	\$ 31,171
Restricted Cash	171,283
Faculty and Staff Unconditional Promises to Give (Less: Allowance for Uncollectible Pledges of \$2,448)	22,035
Friends of the College Unconditional Promises to Give (Less: Allowance for Uncollectible Pledges of \$48,320)	<u>434,885</u>
Total Assets	<u>\$ 659,374</u>

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts Payable	<u>\$ 27</u>
Total Liabilities	<u>27</u>

NET ASSETS

Unrestricted	74,463
Temporarily Restricted	99,939
Permanently Restricted	<u>484,945</u>
Total Net Assets	<u>659,347</u>
Total Liabilities and Net Assets	<u>\$ 659,374</u>

See independent auditor's report.
The accompanying notes are an integral part of these financial statements.

ELAINE P. NUNEZ
COMMUNITY COLLEGE FOUNDATION
STATEMENT OF ACTIVITIES
For The Year Ended June 30, 1997

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
REVENUES, SUPPORT, AND RECLASSIFICATIONS				
Pledge Campaign	\$ 145,469	\$ 76,131	\$ 394,986	\$ 616,586
Interest Income	<u>106</u>	<u>1,134</u>	<u>-</u>	<u>1,240</u>
Total Revenues	<u>145,575</u>	<u>77,265</u>	<u>394,986</u>	<u>617,826</u>
EXPENSES				
Program Services				
Awards	1,938			1,938
Donations to College	<u>853</u>	<u>-</u>	<u>-</u>	<u>853</u>
Total Program Services	<u>2,791</u>	<u>-</u>	<u>-</u>	<u>2,791</u>
Supporting Services				
Fundraising				
Pledge Campaign	62,918	-	-	62,918
Management and General	<u>4,535</u>	<u>-</u>	<u>-</u>	<u>4,535</u>
Total Supporting Services	<u>67,453</u>	<u>-</u>	<u>-</u>	<u>67,453</u>
Total Expenses	<u>70,244</u>	<u>-</u>	<u>-</u>	<u>70,244</u>
INCREASE IN NET ASSETS	75,331	77,265	394,986	547,582
NET ASSETS - BEGINNING OF YEAR	<u>(868)</u>	<u>22,674</u>	<u>89,959</u>	<u>111,765</u>
NET ASSETS - END OF YEAR	<u>\$ 74,463</u>	<u>\$ 99,939</u>	<u>\$ 484,945</u>	<u>\$ 659,347</u>

See independent auditor's report.

The accompanying notes are an integral part of these financial statements.

ELAINE P. NUNEZ
COMMUNITY COLLEGE FOUNDATION
STATEMENT OF CASH FLOWS
For The Year Ended June 30, 1997

CASH FLOWS FROM OPERATING ACTIVITIES

Increase in Net Assets	\$ 547,582
Adjustments to Reconcile Excess of Revenue Over	
Expenditures to Net Cash Provided By Operating Activities	
(Increase) in Restricted Cash	(169,332)
Decrease in Faculty and Staff	
Unconditional Promises to Give	5,166
(Increase) in Friends of the College	
Unconditional Promises to Give	(363,246)
Bad Debt Expense	44,205
Decrease in Accounts Payable	<u>(34,009)</u>
Net Cash Provided By Operating Activities	<u>30,366</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	30,366
CASH AND CASH EQUIVALENTS - BEGINNING OF PERIOD	<u>805</u>
CASH AND CASH EQUIVALENTS - END OF PERIOD	<u>\$ 31,171</u>

See independent auditor's report.
The accompanying notes are an integral part of these financial statements.

ELAINE P. NUNEZ
COMMUNITY COLLEGE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
June 30, 1997

NOTE A

NATURE OF ACTIVITIES

The **ELAINE P. NUNEZ COMMUNITY COLLEGE FOUNDATION** financially assists the students attending Elaine P. Nunez Community College in pursuing their collegiate training. The Foundation also provides the Community College with funds with which to acquire or purchase real or personal property, to pay for services for instruction, and for the purpose of providing funds to carry on any proper activity of the College.

NOTE B

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Foundation have been prepared on the accrual basis. The significant accounting policies followed are described below to enhance the usefulness of the financial statements.

FINANCIAL STATEMENT PRESENTATION

The Foundation reports information regarding financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

CONTRIBUTIONS

Contributions received by the Foundation are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence or nature of any donor restrictions.

The allowance for uncollectible pledges is computed by applying a percentage to the total discounted pledges receivable. This amount represents the percentage of pledges that management deems it will not collect during the campaign.

CASH EQUIVALENTS

The Foundation considers all highly liquid debt instruments with a maturity of three months or less to be cash equivalents.

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from these estimates.

DONATED SERVICES

Under generally accepted accounting principles, organizations are required to recognize as revenue and related expense for goods and services received if the organization would typically need to purchase the goods and services if not received as a donation. No amounts have been reflected in the financial statements for donated services because they did not meet the criteria for recognition.

ELAINE P. NUNEZ
COMMUNITY COLLEGE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
June 30, 1997

NOTE C

INCOME TAX

The Foundation was incorporated on August 11, 1986. It is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Its purpose is to work with and support the services and programs of Elaine P. Nunez Community College.

NOTE D

RELATED PARTY TRANSACTIONS

The Foundation made donations to **ELAINE P. NUNEZ COMMUNITY COLLEGE** to support its various programs. An amount of \$853 was donated to the college to support its expenses incurred for student services and building supplies during the period ended June 30, 1997.

NOTE E

CONCENTRATION OF CREDIT RISK

The Foundation receives a majority of its funding from individuals and small businesses located in the Southeast Louisiana area. These donations are generally received through the pledge campaign in two ways: first, through payroll deductions from faculty and staff, and secondly, from Friends of the College.

NOTE F

RESTRICTED CASH

The restricted cash balance represents amounts collected on restricted pledges but not expended.

NOTE G

PROMISES TO GIVE

The Foundation began a pledge campaign in 1996 to raise funds to support the general activities of the Foundation as well as to fund various scholarships, developments, and programs. Funds were raised through the solicitation of pledges for contributions from faculty and staff members, and friends of the college. The pledges have been recorded at their present value using a discount rate of 8%. As of June 30, 1997, the Foundation had received pledges from faculty and staff in the amount of \$43,264, of which \$6,491 was collected. Pledges from friends of the college were received in the amount of \$776,070, of which \$246,326 was collected. The pledges can be paid over five years. Unconditional promises to give at June 30, 1997 are as follows:

ELAINE P. NUNEZ
COMMUNITY COLLEGE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
June 30, 1997

NOTE G
PROMISES TO GIVE (Continued)

	<u>Faculty and Staff Pledges</u>	<u>Friends of the College Pledges</u>	<u>Total</u>
Receivable in Less than One Year	\$ 14,375	\$ 237,067	\$ 251,442
Receivable in One to Five Years	<u>15,641</u>	<u>282,677</u>	<u>298,318</u>
Total Unconditional Promises to Give	30,016	519,744	549,760
Less Discounts to Net Present Value	5,533	36,539	42,072
Less Allowance for Uncollectible Promises	<u>2,448</u>	<u>48,320</u>	<u>50,768</u>
Net Unconditional Promises to Give	<u>\$ 22,035</u>	<u>\$ 434,885</u>	<u>\$ 456,920</u>

NOTE H
TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes:

	<u>Faculty and Staff Pledges</u>	<u>Friends of Faculty and Staff Pledges</u>	<u>Total</u>
Athletics	\$ -	\$ 289	\$ 289
Library Enhancements	757	-	757
MATE	-	5,000	5,000
Plaquemine	-	100	100
Professorships	100	-	100
Scholarships	22,340	47,617	69,957
Student Assistance	1,702	1,926	3,628
Technical Scholarships	532	-	532
Business and Technology Equipment	1,257	-	1,257
Business and Technology School	788	-	788
Culinary Scholarships	2,574	-	2,574
Day Care	7,308	-	7,308
Faculty and Staff Development	1,179	-	1,179
Dinner Banquets	-	5,625	5,625
Interest	<u>-</u>	<u>1,134</u>	<u>1,134</u>
Total Temporarily Restricted Net Assets	<u>\$ 38,537</u>	<u>\$ 61,402</u>	<u>\$ 99,939</u>

ELAINE P. NUNEZ
COMMUNITY COLLEGE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
June 30, 1997

NOTE H

TEMPORARILY RESTRICTED NET ASSETS (Continued)

Net assets were released from donor restrictions by incurring expenses satisfying the purpose restriction specified by the donor. The donor had given \$500 with the restriction that it be used for the Teaching in Excellence Award. The expenditure for this award was made during 1997.

NOTE I

PERMANENTLY RESTRICTED NET ASSETS

Net assets were permanently restricted for an endowed professorship at June 30, 1997. The endowment requires a permanent trust of at least \$100,000. The original principal, which consists of \$60,000 from private contributions matched with \$40,000 from the Board of Regents, cannot be expended. The interest earnings from the fund are to be used to help offset the expenditures necessary to employ and support the professor who holds the endowed professorship. In 1997, the Foundation recognized \$536,986 in permanently restricted support relating to this endowment.



To The Board of Trustees
Elaine P. Nunez Community College Foundation

Independent Auditor's Report
on Supplementary Information

Our report on our audit of the basic financial statements of **ELAINE P. NUNEZ COMMUNITY COLLEGE FOUNDATION** for the years ended June 30, 1997 appears on page 1. This audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information provided on Schedules of Functional Expenses is presented for the purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

LaPorte, Sehart, Romig & Hand

A Professional Accounting Corporation

July 6, 1998

ELAINE P. NUNEZ
COMMUNITY COLLEGE FOUNDATION
STATEMENT OF FUNCTIONAL EXPENSES
For The Year Ended June 30, 1997

PROGRAM SERVICES

Awards	\$ 1,938
Donations to College	<u>853</u>
Total Program Services	<u>2,791</u>

SUPPORTING SERVICES

Fundraising

Pledge Campaign	
Donations	220
Printing	4,113
Bad Debts	44,205
Luncheons	5,808
Food	5,301
Other	<u>3,271</u>
Total Pledge Campaign	<u>62,918</u>

Management and General

Accounting	2,000
Other	<u>2,535</u>
Total Management and General	<u>4,535</u>

Total Supporting Services	<u>67,453</u>
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TOTAL EXPENSES	<u>\$ 70,244</u>
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See independent auditor's report on supplementary information.